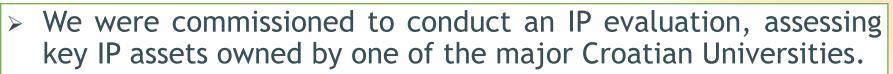
## **S3:IP Evaluation and Due Diligence**



- > Specifically, this evaluation was aimed to:
  - 1. Establish the net present value of the technology
  - 2. Provide insights into the potential 'favourable' and 'lessfavourable' case scenarios in terms of licensing income and market penetration.
  - 3. Provide key takeaways and recommendations based on the results of the evaluation

The outcome of the service provided an assessment of the value of key IP assets to the applicant



## S3/ Methodology

The following steps were taken in conducting the IP Evaluation:

- 1. Gather information about the IP assets, the technology and other market data available
- 2. Conducting market research to gauge likely size of target market and assess competing technologies
- 3. Build an evaluation model
- 4. Apply the model parameters and produce valuation outcomes
- 5. Summarize and comment the findings



- 1. Cost approach correlates the value of the patents to the investment that has gone into generating the portfolio.
- 2. Market approach correlates the value of the patents to the estimated price that the portfolio is likely to have in the open market in an outright patent sale scenario. This approach is built around comparable market transactions, adjusted by the profile of the patents and the applicable market.
- 3. Income approach based on the royalty and milestone cashflows that would be expected to be generated by the portfolio if licensed-out, or the royalty and milestone payments that would be expected to be made to a third-party if the portfolio was owned by a third party and had to be licensed-in (the latter also known as Royalty Relief method)

## S3/ Outcomes



- The evaluation was undertaken using the **Income Approach** for a licensing-out scenario of the future granted patents.
- Income Approach Evaluation Assumptions were applied to two potential markets
- The value of the future patent corresponded to the riskadjusted net present value of the cashflows associated with licensing the patents.
- The valuation included evidence-based estimations of the future target market size, of University's potential market penetration within the market, as well as risk and inflationary factors.



## S3 / Takeaways and Recommendations

- Technology development
- Expansion of protection in different jurisdictions
- Patent Landscape
- Freedom to Operate Search
- Apply for Service S5 of IPBooster